

Mandatum Life Insurance Company Limited Estonian
Branch

UNIT-LINKED INSURANCE TERMS AND CONDITIONS NO UL19

Type of Life Insurance: Unit-Linked Insurance

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GENERAL CONDITIONS

1. Structure of a Unit-linked insurance Contract

1.1. A Unit-linked insurance Contract (hereinafter the Insurance Contract) shall consist of the totality of the conditions set forth in:

- 1.1.1. these Unit-linked insurance Terms and Conditions (hereinafter the Terms and Conditions);
- 1.1.2. the Policyholder's application to conclude an Insurance Contract and the questionnaires established by the Insurer;
- 1.1.3. the Insured's questionnaire(s);
- 1.1.4. the Invoice-Offer;
- 1.1.5. the insurance policy and its annexes;
- 1.1.6. the Price list;
- 1.1.7. any amendments and/or supplements to the conditions of the Insurance Contract that have been finalised in the manner specified by the Insurer and accepted by the Insurer.

1.2. The Terms and Conditions consist of the following sections:

- 1.2.1. *General Conditions*;
- 1.2.2. *Life Insurance Conditions (No. LI19: Unit-Linked life insurance)*;
- 1.2.3. *Supplementary Insurance Conditions (No. ADB'18: Accidental Disability, No. AT'18: Accidental Trauma, No. AD'18: Accidental Death, No. CI19: Critical Illness)*.

Only those *Supplementary Insurance Conditions*, which are specified in the insurance policy or in the amendments and/or supplements to the Insurance Contract that have been finalised in the manner specified by the Insurer, shall apply to the Insurance Contract.

2. The Insurer, the Policyholder, the Insured, and the Beneficiary

2.1. The Insurer is Mandatum Life Insurance Company Limited acting through Mandatum Life Insurance Company Limited Estonian Branch.

2.2. The Policyholder shall be the natural or legal person who concluded an Insurance contract with the Insurer.

2.3. The Parties to the Insurance Contract are the Policyholder and the Insurer (hereinafter the Parties).

2.4. The Insured person (hereinafter the Insured) shall be a natural person indicated in the Insurance contract to whom, the insurance risk is related. The Insurer must pay the insurance benefit if the insured event occurs in life of the Insured person.

2.5. The Beneficiary shall be a person indicated in the Insurance Contract by the Policyholder, who under the conditions set in the Insurance contract becomes eligible to receive the insurance benefit. Until the occurrence of the Insured Event, the Policyholder shall have the right to change the Beneficiary by notifying the Insurer in writing. If several Beneficiaries have been appointed, without specifying their exact proportions, they are equal Beneficiaries. If a Beneficiary has not been appointed at the time the Insured Event occurs, the insurance benefit shall be paid to the Policyholder or their successors.

3. The Insured Object and Sums Insured

3.1. The object insured shall be an economic interest which is related to life duration of the Insured and/or the capital accumulation.

3.2. If the *Supplementary Insurance Conditions* are additionally applied to a particular Insurance contract, the object insured is also an economic interest related to the health of the Insured.

3.3. Amount of the sum insured for Life insurance and Supplementary insurance shall be fixed in the Insurance contract. A separate sum insured shall be set for *Life Insurance and each Supplementary Insurance Condition* applicable to a specific Insurance Contract.

4. Conclusion of the Insurance Contract. Pre-contractual rights and duties of the Parties

4.1. Person, wishing to conclude an Insurance Contract shall be familiarized with the Terms and Conditions, the Price list, the information regarding the selected Investment Solutions and other information.

4.2. After selecting the desired insurance conditions, the Policyholder shall fill in an application of the form specified by the Insurer and any other documents required by the Insurer while the Insured shall fill in the Insured's questionnaire(s), if the Insurer so requires. The Policyholder and Insured shall be liable for the correctness of the

information supplied in the application and the questionnaire(s). Submission of an application and other documents does not oblige the Parties to conclude the Insurance contract.

4.3. The Policyholder and the Insured must disclose to the Insurer all known information about any circumstances that could substantially influence the probability that the insured event will occur. Any circumstances, about which the Insurer makes request for information prior to the conclusion of the Insurance Contract, shall be considered essential circumstances. The Insurer may request to have the Insured's health examined in a health care establishment proposed by the Insurer and to have the results of the examination supplied to the Insurer.

4.4. In accordance with the information supplied by the Policyholder and the Insured and the information supplied by the health care establishment about the results of the Insured's health examination, the Insurer shall assess the insurance risk and set the insurance conditions. The Insurer may offer to conclude an Insurance Contract by setting increased risk cover fee rates and/or setting conditions other than those the Policyholder requested (smaller sums insured, a shorter insurance period, an amended list of insured and uninsured events, etc.).

4.5. The Insurer also retains the right to refuse to conclude an Insurance Contract without giving a reason or to postpone its conclusion.

4.6. The Insurance contract shall be considered as concluded between the Parties after all conditions of the Insurance contract are accepted by both Parties from the day on which the first insurance Premium as established in the Invoice-Offer and subject to payment is received into the bank account of the Insurer. The Insurer certifies the conclusion of the Insurance contract by issuing the insurance policy.

4.7. The Policyholder shall inform the Insured and the beneficiary about the conclusion of the Insurance Contract and their rights and duties arising from it.

4.8. The Insurance Contract shall come into force on the date indicated in the insurance policy, but in any case not earlier than on the next day after receipt of the first insurance premium.

4.9. Insurance period might differ from the validity period of the Insurance Contract. The Insurance Period is the time interval from the beginning until the end of insurance coverage. Insurance contract validity period is indicated in the Insurance Contract.

4.10. The Insurance Contract shall come into force only in case the first insurance premium is paid in within a period of 65 days from the date of submission of insurance application, unless otherwise stipulated in the Invoice-Offer.

5. Insurance Premiums

5.1. An insurance premium payment schedule (hereinafter the Payment Schedule) shall be set by the agreement of the Parties and specified in the Insurance Contract.

5.2. The Policyholder shall be responsible for the payment of insurance premiums. The insurance premiums must be paid into the bank account specified by the Insurer using one of the methods proposed by the Insurer.

5.3. The Policyholder shall be entitled to pay larger or additional insurance premiums than what is specified in the Insurance Contract Payment Schedule or to pay the insurance premiums in advance for future periods while the Insurance Contract is in force. The Policyholder shall not be entitled to take back any insurance premiums once the premiums have already been tied to the Investment Solutions determined by the Policyholder. The premiums paid after the validity period of the Insurance Contract shall be returned to the payer.

5.4. The insurance premium shall be considered as paid when the corresponding amount is credited to the Insurer's bank account, if the payment documents include sufficient data to identify the insurance premium, the Policyholder, and the Insurance Contract (e.g. the Policyholder's full name and personal ID number as well as the Insurance Contract's number or the reference number). If the information supplied in the payment documents is insufficient to identify the Insurance Contract, then the insurance premium's payment day shall be considered to be the day the insurance premium was identified and assigned to the Insurance Contract.

5.5. The insurance premiums shall be paid in the national currency of the Republic of Estonia. If an insurance premium pursuant to Insurance Contract is paid in another currency, it can be accepted only if the Insurer agrees. In this case, the Policyholder shall cover the money transfer, currency exchange, and other related expenses. Such expenses shall be deducted from the paid insurance premium.

5.6. Any insurance premiums paid after the Insurer has received notice about the death of the Insured shall be returned to the payer.

5.7. By mutual agreement of the Parties, on the first day of each insurance year the size of the insurance premium can be indexed, increasing the insurance premium by the percentage agreed by the Parties and specified in the Insurance Contract.

6. Investment Solutions and the Principles of Capital Accumulation

6.1. Investment Solution shall mean an investment fund, investment basket or different investment object offered for allocation of the paid-in premiums and accumulated capital.

6.2. The Insurer has right to use the services of third parties (hereinafter the Asset Managers) when managing

Investment Solutions and making investment transactions.

6.3. Only for the purpose of calculation of capital accumulated in Insurance Contract, Investment Solutions are linked to the Insurance Contract. However due to linking the Policyholder does not acquire any property rights to the Investment Solution. The owner rights of the Investment Solution, linked to the Insurance Contract, belong to the Insurer or the Asset Manager.

6.4. The Policyholder may choose one or more Investment Solution from the Investment Solutions offered by the Insurer. The Insurer shall be entitled to restrict the number of selected Investment Solutions or their combination with other Investment Solutions allowed in the Insurance Contract. The Insurer shall be entitled to unilaterally change the list of Investment Solutions (to add new Investment Solutions to the list or to remove existing Investment Solutions from the list) available to the Policyholder.

6.5. The value of the capital accumulated in the Investment Solutions shall be calculated using investment units (hereinafter Investment Units). The value of an Investment Solution's unit is determined by an Asset Manager of corresponding Investment Solution in accordance to the terms and conditions of the Investment Solution or by Insurer. The value of Investment Solution's unit is published on the Insurer's website www.mandatumlife.ee or the Asset Manager's website.

6.6. The investment risk of the Investment Solution, linked to the insurance Contract, shall be borne by the Policyholder: all of the investment income or losses arising from the Investment Solution shall correspondingly alter value of unit price, which may increase or decrease. The Insurer shall not be held liable for the changes to the unit prices of the Investment Solutions included in the Insurance Contract and thereby also for the change to the value of the entire accumulated capital. Each action made by the Policyholder concerning Investment Solution's linked to the Insurance Contract is related to investment risk, i.e. possible loss or not met expectations. Historical investment results do not guarantee positive income in the future, neither indicate future changes in the Investment Solution's unit price.

6.7. Investment risk borne by Policyholder as well covers such situations when trading (sale or buying) of investment solution's units is temporarily or permanently suspended by investment solution's asset manager or state institution, as well as cases of suspension of investment unit pricing (unit price is not calculated on a particular day and it is determined later). In such cases investment unit prices are calculated, Policyholder's investment orders or other transactions in respect to Insurance contracts executed as soon as sale/repurchase of investment units is reopened and unit prices available.

7. Investment Plan and Accumulated Capital

7.1. An investment plan (hereinafter the Investment Plan) sets to which Investment Solutions and in which proportions the insurance premiums, which have been paid in, after deduction of the relevant fees, are assigned. The Investment Plan shall be set by the agreement of the Parties.

7.2. The value of the Investment Solution linked to the Insurance Contract is equal to the number of investment units that has been multiplied by the unit price on the calculation date.

7.3. The value of the Insurance Contract accumulated capital (hereinafter the Accumulated Capital) is equal to the total amount of the values of the Investment Solutions and to an amount of temporarily not invested money related to the Insurance Contract.

7.4. The applicable fees shall be deducted from the received insurance premium and the rest of the insurance premium shall be allocated to the Accumulated Capital as money. The money shall be linked to the Investment Solutions, according to the proportions set in the Investment Plan.

7.5. The money shall be linked to the Investment Solutions after the insurance premium is received but not before the Insurance Contract enters into force. If the conversion of money is impossible due to investment unit price not being available for some Investment Solution or there is no possibility of converting the money into investment units due to other reasons independent of the Insurer, then the money falling to the Investment Solution shall be converted into investment units as soon as this becomes possible.

7.6. The number of the corresponding Investment Solution's investment units allocated to insurance contract Accumulated Capital shall be equal to the ratio between the sum of the money converted to that Investment Solution and that Investment Solution's investment unit price on the day of the conversion.

8. Calculation and deduction of the fees

8.1. Amount and deduction principles of all the fees which do not affect Investment Unit price that shall be charged by the Insurer are described in the Terms and Conditions and specified in the Insurance Contract. Fees which affect the Investment Unit price are stated in Key Information Document of Investment Solution found in Mandatum Life website and Asset Manager website.

8.2. Each calendar month the Insurer shall deduct the following fees from the Accumulated Capital in the manner specified in paragraph 8.9:

8.2.1. fee for life cover and supplementary covers;

8.2.2. Insurance Contract's administration fee

8.3. Life cover fee shall be calculated by multiplying the life cover fee rate by the difference between the sum that the Insurer must pay if the Insured dies and the Accumulated Capital.

8.4. Fees for supplementary covers shall be calculated by multiplying the rate for these fees by the corresponding supplementary insurance sums, specified in the Insurance Contract.

8.5. The rates for the life cover and supplementary covers fees depend on the Insured's age on the day the fees are calculated and on the results of the insurance risk assessment made by the Insurer (prior to concluding an Insurance Contract, amending its conditions, or renewing the insurance coverage). At the Policyholder's request, the Insurer shall submit the Policyholder the sizes of the rates used to calculate fees for the life cover and supplementary covers.

8.6. Life cover fee will not be deducted if the sum that the Insurer must pay in case of the Insured's death does not exceed the Accumulated Capital. Also life cover fee will not be deducted from the day the Insurer receives notice about the Insured's death.

8.7. If the sum insured of Supplementary Insurance Conditions, which has been assigned to a specific Insured in an Insurance Contract, has been paid out due to insured event in case of the Supplementary Insurance Conditions No. CI19: Critical Illness and No. AD'18: Accidental Death, the Insurer shall no longer deduct the corresponding supplementary cover fee in respect to that Insured from the day the Insurer receives notice about an insured event. If the corresponding supplementary cover fee was deducted in respect to that Insured while an insured event was investigated, it shall be refunded later if it is discovered that it was indeed an insured event.

8.8. The Insurer shall have the right to charge a fee for providing additional services or replying to enquiries or presenting information in a way other than previously agreed.

8.9. The Insurer shall deduct all the fees specified in the Insurance Contract that are deducted from the Accumulated Capital, in the following manner:

8.9.1. an amount of the Accumulated Capital that is allocated to each Investment Solution or to the money, if any, on the day of the calculation, shall be determined. The deductible fees shall be assigned to each Investment Solution or to the money proportionally on the basis of the amount of the Accumulated Capital falling to each Investment Solution or the money;

8.9.2. the part of the fees falling to the Investment Solutions shall be divided by the corresponding Investment Solutions investment unit price at the day of fee deduction and the obtained number of investment units shall be deducted from the number of investment units in the Accumulated Capital of that Investment Solution;

8.9.3. the part of the fees falling to the Accumulated Capital in money shall be deducted in money;

8.9.4. If the Accumulated Capital is insufficient for the fees specified in the Insurance Contract to be deducted, the sum of the undeducted fees shall be added to the sum of next month's fees.

8.10. The Insurer shall be entitled to amend the Price list by notifying the Policyholder thereof in writing or in another manner agreed by the Parties at least one month prior to the foreseen amendment of in the Price list. If the Policyholder does not agree with the amendment, he/she shall be entitled to terminate the Insurance Contract. If the Policyholder does not notify the Insurer in writing about the termination of the Insurance Contract by the amendment's effective date specified in the written notice, it shall be considered that the Policyholder agrees with the amendment.

The procedure defined in this point for amendment of the Price list shall be applied in cases of changes in fees, however if the Price list includes additional information (for example information regarding minimum or maximum insurance covers could be applied for at conclusion or amendment of the Insurance contract, minimum monetary out payment limits, minimal accumulated capital after partial withdrawal,), in case of change just of the additional information, the Price list shall be changed by the Insurer unilaterally without written individual notification and amended Price list will be published on the Insurers website.

8.11. If the insurance risks change, the Insurer, in accordance with the altered statistical data about the insured events and the insurance benefit, as well following notification procedure set in paragraph 8.10, shall be entitled no more than once a calendar year to increase or decrease the rates for the life cover and/or supplementary cover fees. If the Policyholder does not agree with the change, the Policyholder shall be entitled to amend free of charge the sums insured or to terminate the Insurance Contract.

9. Amendment of the Investment Plan. Redistribution of the Accumulated Capital in the Investment Solutions

9.1. The Policyholder has the right to apply for changes of the Investment Plan by submitting an application. The Investment Plan shall be amended after the Insurer has received the relevant application. The amended Investment Plan shall be applicable only to insurance premiums paid since the day the new Investment Plan was applied by the Insurer.

9.2. The Policyholder has the right to apply for changes to the proportions or the list of Investment Solutions in the Accumulated Capital (hereinafter the Reallocation) by submitting an application to the Insurer. A precondition for

fulfilling the Policyholder's applications is that any transactions with the investment and/or Reallocation in the Insurance contract must be financed by money in the Insurance contract. The transactions are not financed by the Insurer.

9.3. The Insurer shall be entitled to set restrictions upon the implementation of the Policyholder's applications concerning Investment Solutions related to Investment Plan or Reallocation

9.4. For Reallocation the Insurer deducts the fee from the Accumulated Capital. No fee shall be deducted if Reallocation is done by the Insurer in case of the cancellation or merging of Investment Solutions.

9.5. The Insurer shall perform the Reallocation in the following manner:

9.5.1. The part of the Accumulated Capital to be redistributed shall be calculated and converted to money by multiplying the number of investment units by the corresponding Investment Solution's investment unit price on the day of the conversion to money (The conversion of separate Investment Solutions to money can be done on different days); The order shall be executed after the acceptance of the Policyholder's application;

9.5.2. The part of the money that will be allocated to each Investment Solution after the Reallocation shall be determined;

9.5.3. The part of the money falling to each Investment Solution shall be divided by the corresponding Investment Solution's investment unit price on the day of the conversion from money (The conversion of separate Investment Solutions can be done on different days). The obtained number of investment units shall be allocated to the corresponding Investment Solution in the Accumulated Capital; the allocation of investment units shall be made after the conversion into money as soon as possible without unreasoned delay.

If the investment unit price cannot be calculated for some Investment Solution or there is no possibility of redistributing the money due to other reasons independent of the Insurer, then the part of the Accumulated Capital that can be redistributed shall be redistributed and the redistribution of the other part shall be made later, but as soon as this becomes possible.

9.6. If upon the Insurer's or Asset managers unilateral decision one of the Investment Solutions which is part of the Insurance Contract's Investment Plan or in which part of the Accumulated Capital is invested is cancelled or merged with another Investment Solution, the Insurer shall inform the Policyholder after it has become known or decided by the Insurer. Prior to the day the Investment Solution will be cancelled or merged, the Policyholder may inform the Insurer about the decision on how to amend the Investment Plan and/or perform the Reallocation. If the Policyholder does not inform by the set deadline, the Accumulated Capital allocated to the cancelled Investment Solution shall be allocated into an offered Investment Solutions. In case the Investment Solutions are merged, the following payments shall be invested in the Investment Solution, with which the former Investment Solution's was merged.

10. Returning Part of the Accumulated Capital to the Policyholder

10.1. After submitting an application and information in writing or in another manner agreed by the Parties, the Policyholder shall be entitled to withdraw part of the Accumulated Capital without terminating the Insurance Contract. When part of the Accumulated Capital is returned to the Policyholder, the balance of the Accumulated Capital must be no less than minimum amount specified in the Price list.

10.2. When part of the Accumulated Capital is returned to the Policyholder, the life insurance sum(s) shall be reduced in the cases specified in the *Life Insurance Conditions*.

10.3. When part of the Accumulated Capital is returned, the Accumulated Capital of each Investment Solution shall be reduced proportionally, unless the Policyholder and the Insurer agree otherwise. In returning part of the Accumulated Capital, if it includes money, the money shall not be reduced (unless the Policyholder and the Insurer agree differently).

10.4. When returning part of the Accumulated Capital, the Insurer shall deduct the fee specified in the Price list.

10.5. The part of the Accumulated Capital to be returned shall be converted into money. The sum payable to the Policyholder shall be calculated as soon as possible after the Policyholder's application is accepted. If it is impossible to calculate any Investment Solution's investment unit price or there is no possibility of converting the part of the Accumulated Capital to be returned into money due to reasons independent of the Insurer, then the part of the Accumulated Capital to be returned shall be converted as soon as this becomes possible while the already converted part can be kept in the Accumulated Capital as money during that time. The part of the Accumulated Capital to be returned should be paid out as soon as it is calculated, taking into account the deadlines and restrictions imposed by Asset Managers and the Insurer regarding transactions. The sum to be returned is subject to taxes by the procedure specified by the laws.

11. Termination of the Insurance Contract

11.1. The Insurance Contract can be terminated by the mutual agreement of the parties.

11.2. The Policyholder shall be entitled to terminate the Insurance Contract at any time by informing the Insurer in writing and submitting documents and information required by the Insurer (e.g. information necessary for correct application of state taxes).

11.3. The Policyholder shall be entitled to withdraw from the conclusion of the Insurance Contract in 14 days after

concluding the Insurance Contract (if the contract is concluded in the online platform then in 30 days) by notifying the Insurer in writing. In this case, the Policyholder shall be returned the paid insurance premiums from which the fee for insurance cover during the period the Insurance Contract was in force and the possible reduction of the prices of securities related to the Insurance Contract have been deducted.

11.4. The Insurer, after warning the Policyholder thereof in writing, shall be entitled to unilaterally terminate the Insurance Contract if there is a material breach of the Insurance Contract's conditions or in other cases specified in the legal acts.

11.5. If the Policyholder or the Insured concealed information or supplied knowingly false information and this influenced the Insurer's decision to conclude or amend the Insurance Contract or affected the setting of the insurance conditions, the Insurer shall be entitled to terminate or amend the Insurance Contract (or to demand the Insurance Contract or amended conditions be declared invalid).

11.6. If the size of the Accumulated Capital is close to being insufficient for deducting the fees and the Accumulated Capital becomes less than the sum of three months' fees, the Insurer shall forward a written notice to the Policyholder stating the new date for paying the insurance premiums. If the insurance premiums indicated in the notice are not paid within the date stated in notice, the Insurer shall be entitled to terminate the Insurance Contract on the date indicated in the notice. Should the insured event occur after the date stated in the notice and the premiums is not received in the Insurer's account, the insurance benefit shall not be paid out.

11.7. Upon the termination of the Insurance Contract, the surrender value shall be paid to the Policyholder by the Insurer.

11.8. The surrender value is equal to the value of the Accumulated Capital after deducting the surrender fee specified in pricelist.

11.9. In case of contract termination, Accumulated Capital to be returned shall be converted into money. The sum payable to the Policyholder shall be calculated as soon as possible after the Policyholder's application is accepted. The conversion of separate Investment Solutions in the Accumulated Capital into money can be executed on different days. If the unit price of some Investment Solution has not been published due to reasons independent of the Insurer or there is no possibility of calculating the sum to be paid due to other reasons independent of the Insurer, then the sum payable shall be calculated as soon as it becomes possible.

All payments will be made by the Insurer as soon as possible, taking into account the deadlines and restrictions imposed by Asset Managers and The Insurer regarding transactions. The paid sum is subject to taxes by the procedure specified by the laws.

12. Expiry of the Insurance Contract

12.1. The Insurance Contract shall expire if:

12.1.1. the Insurer pays out all of the insurance benefits set forth in the Insurance Contract;

12.1.2. at the maturity date;

12.1.3. the Insurance Contract is terminated as described in these Terms and Conditions;

12.1.4. the Policyholder (a natural person) dies or a court declares the Policyholder missing the Insurer shall pay the surrender value to the Policyholder's legal heirs;

12.1.5. the Policyholder (a legal entity) is being liquidated and there is no one to assume its rights and duties. In this case the Insurer shall pay the surrender value;

12.1.6. the law define other cases for the obligations to expire.

12.2. Other cases of the expiry of the Insurance Contract can be set forth in the *Life Insurance Conditions or Supplementary Insurance Conditions*.

13. Amendment of the Conditions of the Insurance Contract

13.1. The conditions of the Insurance Contract can be amended or supplemented by the agreement of the Parties, whereas the amendments and supplements shall be finalised in the manner specified by the Insurer.

13.2. If the Policyholder submits an application to amend the conditions of the Insurance Contract, the Insurer shall review the Policyholder's application to amend the Insurance Contract no later than within 30 days from the date the Insurer receives the Policyholder's application and other documents specified in paragraph 13.3, if such documents are necessary, and shall inform the Policyholder about the decision.

13.3. Prior to making a decision on the amendment of the insurance conditions, the Insurer can request an Insured's questionnaire to be filled in and/or require an examination of the Insured's health at the Policyholder's expense at a health care establishment proposed by the Insurer.

13.4. For the amendment and/or supplementation of the Insurance Contract's conditions, the Insurer shall deduct a fee specified in the Price list from the Insurance Contract's Accumulated Capital.

13.5. The Insurer shall be entitled to unilaterally amend and/or supplement the Insurance Terms and Conditions if the interests of the Policyholder, the Insured, and the Beneficiary are not harmed as well as in the following cases: if the

legal acts, on the basis of which the Insurance Terms and Conditions were drawn up or which are directly related to the Insurance Contract, are amended; when new legal norms appear; when the state authorities demand it; or when there is an objective necessity due to the economic or market situation. The Insurer shall notify the Policyholder thereof in writing or in another manner agreed by the Parties at least one month prior to the effective date of the amendments. If the Policyholder does not agree with the amendments, he/she shall be entitled to terminate the Insurance Contract and receive the Surrender value. If, prior to the effective date of the amendments, the Policyholder does not inform the Insurer in writing about the termination of the Insurance Contract, it shall be considered that he/she agrees with said amendments.

13.6. Amendments of the terms or any conditions of the Investment Solutions shall not be regarded as amendments of these Terms and Conditions.

14. Rights and duties of the Parties while the Insurance Contract is in force

14.1. The Policyholder shall have the following duties:

14.1.1. To supply the Insurer with the correct information specified by the Insurer and submit any documents related to the Insurance Contract;

14.1.2. To pay the insurance premiums on time;

14.1.3. To inform the Insured about any amendments or supplements to the Insurance Contract;

14.1.4. To inform the Beneficiary about any amendments or supplements to the Insurance Contract if these amendments and supplements are related to the Beneficiary's rights and duties;

14.1.5. To name a person, in writing or in another manner agreed by the Parties, who resides in Estonia and is authorised to receive the Insurer's notices on behalf of the Policyholder if the latter goes abroad for longer than 3 months;

14.1.6. To inform the Insurer as soon as possible but not later than within 30 days about any changes to the correspondence address or surname of the Policyholder or the Insured;

14.1.7. To inform the Insurer in writing about the mortgage or transfer of the property rights arising from the Insurance Contract.

14.2. The Insurer shall have the following duties:

14.2.1. To issue a duplicate of the insurance policy or other documents proving the conclusion of the Insurance Contract, if the Policyholder so requests;

14.2.2. To pay out the foreseen benefits in accordance with the terms and conditions specified in the Insurance Contract. If the Insurer fails to pay out an insurance benefit or other amount pursuant to the Insurance Contract by the fixed deadline, at request of the recipient the Insurer must pay default interest of 0.05% of the outstanding amount for each day of delay, but the total amount of the default interest cannot exceed 10% of the outstanding amount;

14.2.3. At least once a year to issue a report about the Insurance Contract in the manner agreed by the Parties or to publish information in the online environment;

14.2.4. To handle all insurance contract operations in reasonable time if it is not stated within specific number of days.

14.3. If an insured event occurs, the Policyholder and/or the person claiming the insurance benefit or any person properly authorised by them shall have the following duties:

14.3.1. To report the insured event to the Insurer in accordance with the terms and procedure specified in the Insurance Terms and Conditions;

14.3.2. To preserve and present to the Insurer all of the documents related to the insured event;

14.3.3. To provide the Insurer or his/her authorized representative with all of the necessary authorizations and create suitable opportunities to investigate the insured event's causes, consequences, and circumstances.

14.4. The Insurer among other rights described in these Terms and Conditions shall have the following right:

14.4.1. If the client has submitted several applications and has not defined precise sequence of executing them or there are previous activities or applications in process, then Insurer shall decide sequence. In this case execution of application may be delayed.

15. Deadlines for the Payment of Insurance Benefit

15.1. The insurance benefit, except in the case specified in paragraph 15.2 of the Insurance Terms and Conditions shall be calculated and paid out no later than within 30 days of the day the Insurer receives all of the information important for determining the fact, circumstances, and consequences of the insured event and the amount of the insurance benefit as well as all of the documents necessary for the payment of the said benefit.

15.2. The insurance benefit, which is payable at the maturity date, shall be paid out no later than within seven business days of whichever is last: the day of the maturity, the day the Insurer receives the application to pay out the insurance

benefit and the day the Insurer receives the information requested by the Insurer.

15.3. If the size of the payable insurance benefit cannot be determined because it is impossible to calculate some Investment Solution's investment unit price due to reasons independent of the Insurer or there is no possibility of calculating the size of the payable insurance benefit due to other reasons independent of the Insurer, it shall be considered that the Insurer does not have all of the information necessary for determining / calculating the size of the insurance benefit and deadline for the payment of the insurance benefit shall be extended, and the insurance benefit shall be paid promptly when this becomes possible.

15.4. If criminal or administrative proceedings have been initiated in regard to the insured event, or court dispute under civil litigation procedures is ongoing in court concerning the Insurance contract the Insurer shall be entitled to postpone the payment of the insurance benefit until the proceedings have finished.

15.5. The insurance benefit is subject to individual income tax by the procedure specified by the laws.

16. Limitations on the Payment of Insurance Benefit

16.1. The insurance benefit shall not be paid out in the following cases:

16.1.1. reported event is not covered by insured event definition;

16.1.2. the event is an uninsured event;

16.1.3. the event occurs while the insurance coverage is not valid.

In case insurance contract would end after events described above the sizes of the payable sums shall be specified in the *Life Insurance Conditions*.

16.2. The Insurer shall be entitled to reduce or refuse to pay an insurance benefit in the following cases:

16.2.1. The Policyholder and/or the Insured concealed information or submitted knowingly false information, which could have affected the determining of the insurance conditions or had a decisive effect on the Insurer's decision to conclude or amend an Insurance Contract, or to renew a terminated Insurance Contract;

16.2.2. the Policyholder and/or the Insured through negligence failed to supply all the information, which is known about circumstances and which could have substantially affected the risk assessment. In this case, if an insured event specified in the *Life Insurance Conditions* or *Supplementary Insurance Conditions* occurs, the Insurer must pay out the percentage of the insurance benefit, which would have been paid out had all the information been known to the Insurer, pro rata on the basis of the ratio of the contracted size of the life or supplementary cover fee rate to the size of the life or supplementary cover fee rate, which would have been established for the Policyholder had all the known information been submitted. This provision is applicable during the first ten years from the conclusion of the Insurance Contract or the first ten years after the insurance coverage specified in the corresponding Life or Supplementary Insurance Condition came into force in respect to the Insured;

16.2.3. a person claiming an insurance benefit supplied knowingly false information to the Insurer;

16.2.4. an insured event failed to be reported to the Insurer in a reasonable time;

16.2.5. the documents provided by the person claiming the insurance benefit are insufficient to determine the date, severity, and other relevant circumstances of the insured event;

16.2.6. the Policyholder, the Insured, or the person claiming the insurance benefit impedes or prevents the Insurer from becoming acquainted with the Insured's medical documentation, examining the Insured's state of health, investigating the insurance event, or obtaining any necessary information;

16.2.7. in other cases provided by the law.

17. Obligation to Protect Information

17.1. The Insurer shall not be entitled to reveal information about the Policyholder, the Insured, or the Beneficiary, their state of health, or their financial status, that was obtained in concluding and/or performing the Insurance Contract (including sensitive personal data). Any information obtained by the Insurer must be kept confidential and be used exclusively for performing the Insurance Contract or for the purposes specified by the laws.

17.2. Information related to the Insurance Contract (including sensitive personal data) can be disclosed without the separate consent of the Policyholder or the Insured in the following cases:

17.2.1. to the Insured in so far as the information is related to the Insured's rights and duties arising from the Insurance Contract;

17.2.2. to the Beneficiary in so far as the information is related to his/her rights and duties arising from the Insurance Contract;

17.2.3. to courts, law enforcement and other institutions in the cases specified by the laws;

17.2.4. to state tax authorities in accordance to provisions of the local law, international treaties and agreements and legislation of European Union;

17.2.5. to the reinsurance and retrocessionaire company;

17.2.6. to third parties which are related to concluding and performing the Insurance Contract.

In all other cases the written consent or request of the Policyholder and/or the Insured and/or the Beneficiary is

necessary for the disclosure of such information.

17.3. The Insurer shall manage the personal data, including sensitive data by the procedure specified by the legal acts of Republic of Estonia and European Union.

18. Notices

18.1. Any notice from one Party of the Insurance Contract to the other must be in writing or can be reproduced in writing, unless the Insurer and the Policyholder agree to another form of providing information. A notice shall be delivered / sent directly to the last known address of the Insurer or the Policyholder. The date the notice is received shall be considered the date when the notice was delivered to the addressee or the fifth day after the letter was sent.

18.2. In those cases where the written provision of information is specified, it shall be considered that this requirement has been satisfied if, after the Parties to the Insurance Contract have individually agreed in advance, the information shall be delivered via the Insurer's secure online platform, e-mail, fax, or other telecommunications terminal equipment that provides an opportunity to prove the fact of the information's delivery.

18.3. If the Policyholder fails to inform the Insurer about the change in his/her or the Insured's address by the procedure specified in the Insurance Terms and Conditions, then it shall be considered that notices sent by the Insurer to the last known address of the Policyholder or the Insured have been properly delivered to the addressee.

18.4. Losses due to a late notice must be reimbursed by the Party, which fails to discharge this duty unless the notice was late not through the fault of that Party to the Insurance Contract.

18.5. Insurer makes basic insurance policy information available in online insurance policy reporting system (E-Life) . However, the information does not reflect the latest data since it is updated with a delay and information may not reflect latest transactions in the contract.

19. Final Provisions

19.1. Disputes between the Parties to the Insurance Contract shall be resolved by the procedure specified by the laws and legal acts of the Republic of Estonia.

19.2. The law of the Republic of Estonia shall apply to the Insurance Contract. If something is not specified in the Insurance Terms and Conditions, the Parties to the Insurance Contract shall act in accordance with the laws and other legal acts of the Republic of Estonia.

19.3. The Parties to the Insurance Contract, in concluding or amending the Insurance Contract, may amend and/or supplement the Insurance Terms and Conditions by mutual written agreement.

19.4. The Insurer's client service operation is supervised by the Estonian Financial Supervision Authority, Sakala 4, Tallinn.

LIFE INSURANCE CONDITION NO. LI19: UNIT-LINKED LIFE INSURANCE

1. Insured Events

- 1.1. An insured event shall mean:
 - 1.1.1. the death of the Insured while the insurance coverage is valid;
 - 1.1.2. the maturity date if the Insured is alive.
- 1.2. An event shall be considered an insured event if it occurs while the insurance coverage is valid and the event is confirmed by official documents and suitable evidence.
- 1.3. If a court declares the Insured dead, this shall be considered an insured event if the Insured was covered by valid insurance the day of his/her disappearance and presumed death. If a court declares the Insured to be missing, this shall not be considered an insured event.
- 1.4. If an insured event occurs, the validity of the Insurance Contract expires.

2. Uninsured Events

- 2.1. An uninsured event shall mean the death or presumed death of the Insured (paragraph 1.3) in connection with:
 - 2.1.1. the deliberate self-inflicted injury, suicide, or attempted suicide of the Insured. This exception shall not apply if on the date of the Insured's self-inflicted injury or suicide, his/her insurance coverage had been continuously (without any interruption) valid for more than two years;
 - 2.1.2. war, military actions, the declaration of a state of emergency, or the effects of nuclear radiation.

3. Insurance Benefit Paid out in case of an Insured Event

Insurance benefit in the event of the Insured's death

- 3.1. The insurance benefit paid out in the event of the Insured's death shall depend on the following Insurance Contract provisions:
 - 3.1.1. the life insurance option A or B;
 - 3.1.2. the amount of the life insurance sum;
 - 3.1.3. Capital multiplier which is expressed in percent and is applied to the Accumulated Capital on the day when the insurance benefit is calculated.
- 3.2. The day when a notice of the Insured's death is received and it is confirmed by official documents shall be called the Notice day.
- 3.3. If life insurance option **A** is specified in the Insurance Contract, the bigger of the following amounts shall be paid out in case of the Insured's death:
 - 3.3.1. the amount of the life insurance. If part of the Accumulated Capital was returned to the Policyholder, the Insurer has rights to reduce the amount of the life insurance by the amount the Accumulated Capital was reduced;
or
 - 3.3.2. the Accumulated Capital that had accumulated up to the Notice Day multiplied by the Capital multiplier.
- 3.4. If life insurance option **B** is specified in the Insurance Contract, the amount of the life insurance and the Accumulated Capital, accumulated up to the Notice day multiplied by the Capital multiplier, shall be paid out in case of the Insured's death.
- 3.5. If the amount of the life insurance was increased and the Insured's suicide occurred during the first two years after the increase in the amount (with the exception of event when the death is an uninsured event pursuant to the paragraph 2.1.1), the payable insurance benefit shall be set in accordance with the smallest amount of the life insurance valid during the last two years pursuant to the Insurance Contract conditions.
- 3.6. In determining the size of the insurance benefit to be paid out due to the Insured's death, instead of size of the Accumulated Capital accumulated at the Notice day the Insurer shall be entitled to use size of the Accumulated Capital accumulated after the Notice day. If it is impossible to calculate some Investment Solution's investment unit price or there is no possibility of calculating the size of the insurance benefit to be paid due to reasons independent of the Insurer, then the size of the Accumulated Capital, which is calculated at a later time, but as soon as this becomes possible, shall be used.
- 3.7. In the cases specified in the Supplementary Insurance Conditions, if such conditions are applied to the Insurance Contract, supplementary insurance benefits already paid out shall be deducted from the insurance benefits paid out in case of the Insured's death.

Insurance benefit at the maturity date

- 3.8. If the Insured is alive at the maturity date, the insurance benefit shall be equal to the Capital Accumulated up until the maturity date. In calculating the size of the insurance benefit to be paid after the maturity date, instead of the Accumulated Capital accumulated at maturity date the Insurer shall be entitled to use size of the Accumulated Capital accumulated after maturity date but as soon as possible without unreasoned delay. If it is impossible to calculate some

Investment Solution's investment unit price or there is no possibility of calculating the size of the insurance benefit to be paid due to reasons independent of the Insurer, then the size of the Accumulated Capital, which is calculated at a later time, but as soon as this becomes possible, shall be used.

4. Outpayment in case of an Uninsured Event

4.1. In cases of an uninsured event, the Insurer shall pay out the surrender value. The surrender value shall be calculated after the Notice of the Insured's death has been received, the Insurer shall be entitled to use size of the Accumulated Capital accumulated after the Notice day. If it is impossible to calculate some Investment Solution's investment unit price or there is no possibility of calculating the surrender value due to reasons independent of the Insurer, then the size of the Accumulated Capital, which is calculated at a later time, but as soon as this becomes possible, shall be used. The surrender value shall be paid to the Beneficiary appointed in case of death and if no one has been appointed, to the Policyholder's legal heirs.

5. Expiry of the Insurance Contract's Validity in case of an Uninsured Event

5.1. In case of an uninsured event, the Insurance Contract's validity shall expire.

6. Deadlines for Reporting an Insured Event

6.1. The Beneficiary shall be obliged to inform the Insurer within six (6) months of the occurrence of the Insurance Event or of their becoming aware of it. Informing the Insurer may also be carried out through third parties.

7. Documents to be submitted when applying for an Insurance Benefit

7.1. When applying to the Insurer for a benefit at the maturity an application to transfer the insurance benefit to the specified bank account must be submitted.

7.2. The application to the Insurer to pay out the insurance benefit in case of the Insured's death should be supported with the following:

7.2.1. The Beneficiary has to be identified;

7.2.2. A notification on the death of the Insured person, indicating the date, place and nature of the event insured, as well as bank's account where the insurance benefit shall be transferred;

7.2.3. Detailed medical certificates issued by a medical establishment describing disease's or injury's that caused the death of the Insured exact diagnosis, anamnesis, investigations and treatment;

7.2.4. Certificate of death (or its copy certified by a Notary Public). The Insurer may not require to present the certificate of death in case the Insurer has access to the State register of civil acts;

7.2.5. Certificate of inheritance rights in case heirs at law apply for the insurance benefit;

7.2.6. Report of occupational accident, if such report has been drawn;

7.2.7. Statement of the event issued by a police, if such statement has been drawn, report of the investigation, court's judgment, if criminal proceedings have been instigated in regard with the event insured or if the event insured is related to the event subjected to judicial proceedings.

7.3. Upon an Insurer's request additional information and documents shall be submitted, if such documents are necessary to justify the insurance benefit and determine its amount, or necessary for taxation purposes or other relevant information, for example but not only, the insurance policy (a certified copy), any amendments and supplements to the conditions of the Insurance Contract that have been finalised in the manner specified by the Insurer.

7.4. In case a document is issued by foreign institution, the Insurer has a right to ask for legalized translation of this document into Estonian language. The Insurer shall not cover expenses of the translation.

8. Insurance Benefit Recipients

8.1. The insurance benefit shall be paid to the last appointed Beneficiary known to the Insurer. If no Beneficiary has been appointed, the insurance benefit shall be paid:

8.1.1. on the maturity date, to the Insured;

8.1.2. in case of the Insured's death, to the Policyholder's legal heirs.

8.2. If information about the appointment/replacement/revocation of the Beneficiary is presented after the insurance benefit has been paid out, the Insurer shall not satisfy the claims of the persons who presented it nor pay out any additional insurance benefits.

8.3. If the only appointed Beneficiary died at the same time or prior to the insured event and another Beneficiary has not been appointed, the insurance benefit in case of the Insured's death shall be paid to the Policyholder's legal heirs and on the maturity date, to the Insured. If one of the appointed Beneficiaries died at the same time or prior to the

insured event and another Beneficiary has not been appointed, then the insurance benefit shall be paid to the other appointed Beneficiaries with the percentage of the insurance benefit falling to each increased pro rata.

8.4. The insurance benefit may not be paid to a person, whose deliberate actions (as established by a court) caused the Insured's death. In this case, the part of the payable insurance benefit belonging to the culprit shall be paid as follows:

8.4.1. To the other Beneficiaries appointed with the percentage of the insurance benefit falling to each increased pro rata;

8.4.2. To the Policyholder's legal heirs, if no other Beneficiaries have been appointed.

8.5. If the beneficiary dies after the insured event but before he/she has an opportunity to accept the insurance benefit, the insurance benefit shall be paid to the legal heirs of the deceased beneficiary.